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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
2007 DEC 6 PM 3:56

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST MARKS AND GARNER PRODUCTION LTD. CO., (1) FINDING THAT THE OPERATOR IS IN VIOLATION OF 19.15.4.201 NMAC AS TO TWENTY THREE WELLS, OR ALTERNATIVELY IS IN VIOLATION OF 19.15.13.1115; (2) REQUIRING THE OPERATOR TO BRING SAID WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC AND/OR 19.15.13.1115 NMAC BY A DATE CERTAIN AND (3) REQUIRING THAT THE OPERATOR PAY PENALTIES, AND IN THE EVENT OF NON-COMPLIANCE, DECLARING THE WELLS ABANDONED AND AUTHORIZING THE DIVISION TO PLUG THE WELLS -- LEA AND SAN JUAN COUNTIES, NEW MEXICO.

CASE NO. 14041

ENTRY OF APPEARANCE AND
PRE-HEARING STATEMENT

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Mikal Altomare
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3480
FAX: 476-3462
Mikal.altomare@state.nm.us

RESPONDENT

Marks & Garner Production Ltd. Co.

RESPONDENT'S ATTORNEY

Enest L. Padilla
PADILLA LAW FIRM, P.A.
P.O. Box 2523
Santa Fe, New Mexico 87504-2523
T: 505-988-7577
F: 505-988-7592
E: epadilla@qwest.net

STATEMENT OF THE CASE

The Oil Conservation Division (OCD) seeks a compliance order against Marks & Garner Production Ltd., Co. (Marks & Garner) finding that Marks & Garner knowingly and willfully violated 19.15.4.201 NMAC as to the twenty-three wells identified in the Application, imposing penalties for that knowing and willful violation, requiring Marks & Garner to plug or otherwise return the wells to compliance by a date certain, and if marks & Garner fails to comply, authorizing the OCD to plug the wells and forfeit the applicable financial assurances. Marks & Garner has posted a \$50,000 cash bond.

APPLICANT'S PROPOSED EVIDENCE

WITNESS(ES)

ESTIMATED TIME:

Daniel Sanchez, Enforcement and Compliance
Manager

30minutes

Dorothy Phillips, Financial Assurance Administrator

by affidavit

PROCEDURAL MATTERS

None.

Respectfully submitted
this 6th day of December 2007 by

Mikal Altomare
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3480

Attorney for the Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon counsel for Marks & Garner Production Ltd., Co. via the facsimile number indicated above this 6th day of December, 2007.



Mikal Altomare